

AGENDA

BOARD OF COMMISSIONERS
REGULAR MEETING
315 WEST SECOND STREET
FRANKFORT, KY 40601
502/875-8500

September 24, 2007
5:30 P.M. (EDT)

1. **INVOCATION** Rev. Louis Newby, First Corinthian Baptist Church
- PLEDGE OF ALLEGIANCE** John Hammond
- ROLL CALL**
- MINUTES** August 27, 2007 Regular Meeting; September 10, 2007 Work Session.

MAYOR'S REPORT

2. CEREMONIAL ITEMS

- 2.1 **Background:** The Board of Commissioners traditionally recognizes City employees who are retiring from the various City departments. At this meeting, the following individual will be in attendance:

Police Department	Jeffrey S. Hulker, retiring with 24 years, 7 months with the Frankfort Police Department
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3. ORDINANCES

- 3.1 **SECOND READING:** An Ordinance amending Frankfort Code of Ordinances Chapter 110, General Licensing Provisions, Section 110.04, Net Business Profits.

Purpose: To set forth more specifically the Nexus test that must be satisfied for the City of Frankfort to require individuals or entities to pay the business license fee imposed by Section 110.04 of the Frankfort Code of Ordinances.

Background: The Amendment to include the Nexus test provides clarification for the individuals or entities to pay the Frankfort Business License Fee.

This Ordinance had its first reading on August 27, 2007.

Recommendation: Approval

Attachment:

- Ordinance

Contact Person

Name:	Robert C. Moore
Title:	City Solicitor
Department:	
Phone:	502/227-2271
Email:	rmoore@hazelcox.com

- 3.2 **SECOND READING:** An Ordinance amending Frankfort Code of Ordinances Chapter 110, General Licensing Provisions, Section 110.03(a)(5)(c).

Purpose: To clarify that individuals employed to perform duties entirely outside the City, but who enter the City for the purposes of reporting, receiving instructions, testifying, accounting, etc., only occasionally and incidental to their duties outside the City, shall not be deemed activities for which business license tax or occupational license tax is required to be paid to the City.

Background: This Ordinance clarifies that individuals employed to perform duties entirely outside the City, but who enter the City for the purposes of reporting, receiving instructions, testifying, accounting, etc., only occasionally and incidental to their duties outside the City, shall not be deemed activities for which business license tax or occupational license tax is required to be paid to the City.

This Ordinance had its first reading on August 27, 2007.

Recommendation: Approval

Attachment:

- Ordinance

Contact Person

Name: Robert C. Moore
Title: City Solicitor
Department:
Phone: 502/227-2271
Email: rmoore@hazelcox.com

- 3.3 SECOND READING:** An Ordinance fixing the rate of taxation for the Year 2008 on all motor vehicles and levying a tax for all city purposes.

Purpose: The purpose of this item is to consider an ordinance to set the tax rate for motor vehicles for the year 2008 at 22.7 cents per \$100 valuation.

Background: The tax rate must be set no later than 10-1-07 as required by the Kentucky Department of Revenue. The tax rate proposed for 2008 is the same rate as approved for 2007.

This Ordinance had its first reading on August 27, 2007.

Recommended: Approval

Attachments:

- Ordinance

Contact Person

Name: Steve Dawson
Title: Director
Department: Finance
Phone: 502/875-8500
Email: sdawson@frankfort-ky.gov

- 3.4 PUBLIC HEARING AND SECOND READING:** An Ordinance Fixing the Rate of Taxation for the Year 2007 on all Tangible Property subject to tax, Trust and Insurance Companies, Public Service Companies and Levying said tax for all city purposes.

Purpose: The purpose of this item is to consider an ordinance setting the tax rate for 2007 Ad Valorem Taxes (allowing a 4% increase) and setting the rate for 2007 Insurance Taxable Capital Taxes.

Background: Proposed rates for 2007 are as follows (for General Fund Purposes):

1. Ad Valorem	19.9 cents
2. Insurance Taxable Capital	15.0 cents

Rates are levied for each \$100 valuation.

The 2006 Ad Valorem Tax rate was set at 19.7 cents.

This Ordinance had its first reading on August 27, 2007.

Financial Analysis: The rates will be 19.9 cents for 2007 and as a result the City will net an additional \$156,945 due to the change. Included in the increase is \$47,913 derived from new property.

Recommendation: Approval

Attachments:

- Public Hearing Notice
- Ordinance

Contact Person

Name: Steve Dawson
Title: Director
Department: Finance
Phone: 502/875-8500
Email: sdawson@frankfort-ky.gov

- 3.5 SECOND READING:** An Ordinance amending Frankfort Code of Ordinances, Ordinance No. 32, 2006 Series to correct the property description of 92 acres of property annexed along Highway US 60.

Purpose: Approval of an Ordinance amending Ordinance No.32, 2006 Series to correct the property description of 92 acres of property annexed along Highway US 60.

Background: This Ordinance will make a correction to the property description of the annexed property along US 60.

This Ordinance had its first reading on August 27, 2007.

Recommendation: Approval

Attachment:

- Ordinance

Contact Persons

Name:	Tony Massey	Rob Moore
Title:	City Manager	City Solicitor
Department:	City Manager	
Phone:	502/875-8500	502/227-2271
E-Mail:	Amassey@frankfort-ky.gov	Rmoore@hazelcox.com

- 3.6 FIRST READING:** An Ordinance to amend the City of Frankfort's Code of Ordinances –Chapter 152 – by amending the City of Frankfort's Zoning Regulations - Ordinance No. 8, 1983 Series, by amending Article 19 Conditional Uses, Section 19.06 Day Care Centers, Nurseries, Kindergartens of the City of Frankfort's Zoning Ordinance.

Purpose: To amend the City's Zoning Ordinance as recommended by the Frankfort/Franklin County Planning Commission and the Zoning Update Committee by amending Article 19 Conditional Uses, Section 19.06 Day Care Centers, Nurseries, Kindergartens of the City of Frankfort's Zoning Ordinance.

Specifically, the request is to amend the language specifying the play area requirements and adding language for 1000 feet separation from an established residence of a registered sex offender.

Background: On June 27, 2007 the Zoning Update Committee reviewed the attached text amendment and supported it to be forwarded to the Planning Commission. There was discussion surrounding the new requirement of separating a proposed day care business from an established residence of a registered sex offender – the discussion primarily was should a proposed day care facility displace an established tenant/owner that is a registered sex offender and/or should an established tenant/owner that is a registered sex offender be grounds to prevent new business. It was concluded that the proposed language should remain, since the safety of the children outweighed the benefit of a new business.

Staff felt it was important to add this new language in light of the KRS requirement that a registered sex offender cannot reside within 1000 feet of a day care, school, or church. Staff felt that it was equally important to apply this for the location of such uses within 1000 feet of an established owner/tenant that is a registered sex offender.

On August 9, 2007, the Frankfort/Franklin County Planning Commission held a public hearing, closed the public hearing, approved the report as the findings rather than requesting a summary, and unanimously voted approval to recommend the City of Frankfort's Board of Commissioners to approve the proposed text amendment.

Recommendation: Approval

Attachments:

- Ordinance
- The report submitted to the Planning Commission
- Minutes of the August 9, 2007 Planning Commission meeting

Contact Person

Name: Gary Muller
Title: Director
Department: Planning and Building Codes
Phone: 502/875-8500
Email: gmuller@fewpb.com

- 3.7 FIRST READING:** An Ordinance providing for the recycling of plastic, glass and aluminum containers at fairs, festivals and special events.

Purpose: To provide for the recycling of plastic, glass and aluminum containers at fairs, festivals and special events.

Background: The City Commission has expressed interest in encouraging greater recycling efforts in Frankfort. This Ordinance would require the recycling of plastic, glass and aluminum containers at local festivals and events.

Recommendation: Approval

Attachment:

- Ordinance

Contact Persons

Name: Tony Massey
Title: City Manager
Department: City Manager
Phone: 502/875-8500

Jeff Hackbart
Director
Public Works
502/875-8500

Steve Brooks
Director
Parks and Recreation
502/875-8575

Email: Amassey@frankfort-ky.gov jhackbart@frankfort-ky.gov sbrooks@frankfort-ky.gov

4. **ORDERS**

4.1 An Order establishing an Inventory Policy for the City of Frankfort.

Purpose: To adopt a written inventory policy that establishes the minimum Fixed Asset threshold at \$1,500.00, and authorizes tagging all computers, furniture, and other office valuables.

Background: Based on a survey of other Second Class Cities, Government Finance Officers Association recommendations, and consulting with both current and past City auditors, it is recommended that the city adopt a minimum Fixed Asset threshold of \$1,500.00. Establishing this policy will strengthen the City's internal controls.

Financial Analysis: The financial impact to the City will be negligible.

Recommendation: Approval

Attachments:

- Order

Contact Persons

Name:	Steve Dawson	Tony Massey
Title:	Director	City Manager
Department:	Finance	City Manager
Phone:	502/875-8500	502/875-8500
Email:	sdawson@frankfort-ky.gov	amassey@frankfort-ky.gov

5. **RESOLUTIONS**

5.1 Resolution authorizing the acceptance of grant funds of \$725,000.00 for the HOME Focus Community Program and designating the Mayor to execute all documents pertaining to this grant.

Purpose: The purpose of this item is to consider acceptance of grant funds of \$725,000.00 for the HOME Focus Community Program from the Kentucky Housing Authority. Adoption of the Resolution will allow the Mayor to sign all administrative documents required to submit and process the grant.

Background: The Kentucky Housing Corporation decided to utilize HOME funds to conduct a Focus Community Grant Program that will have set-asides for certain communities in the Commonwealth to focus on a specific neighborhood in their community. When Frankfort was asked to participate in this program it was decided that the Holmes Street corridor would be the neighborhood of our focus. This decision was based on the fact that the Holmes Street corridor meets Low to Moderate Income requirements. The Commission authorized submission of the application for this grant in April 2007. The City received correspondence that our application was approved for \$725,000.00. The Kentucky Housing Corporation requires the City to pass a Resolution to accept this funding noting the dollar amount of the funding.

Financial Analysis: This grant does not require a specific match, however, we may use funds in the Frankfort Housing Corporation Account (#540) that is required to be used for low to moderate income citizens. Also, the grant does allow for 10% to be used for administration.

Attachment:

- Resolution

Contact Person

Name:	Rebecca Hall
Title:	Grants Manager
Department:	City Manager

Phone: 502/875-8500
Email: rhall@Frankfort-ky.gov

6. CONSENT CALENDAR

Items on the Consent Calendar are considered to be routine by the Board of Commissioners and will be enacted by one motion and one vote. There will be no separate discussion of these items unless a Board member so requests, in which event the item will be removed from the Consent Calendar and considered separately. The City Manager will read the items recommended for approval.

- 6.1** To Authorize the Mayor to sign a Joint Funding Agreement with the U.S. Geological Survey (USGS) (Sewer Department).

Purpose: To authorize the Mayor to sign a Joint Funding Agreement with the U.S. Geological Survey (USGS) to operate the gauging station upstream of Lock 4 in the Kentucky River.

Background: When the U.S. Army Corps of Engineers turned over operation of Lock 4 to the Kentucky River Authority, the USGS took over operation of the gauging station located upstream of Lock 4, which had been funded by the Corps of Engineers. The gauging station data is used extensively by the Sewer Department to monitor river flows relative to our discharge permit requirements.

Financial Analysis: Funds are available in Account No. 200.68.53295. Annual cost to the Department is \$2,580 (October 1, 2007 – September 30, 2008).

Recommendation: Approval

Attachment:

- Joint Funding Agreement

Contact Person

Name: William R. Scalf, Jr., PE
Title: Director
Department: Sewer
Phone: 502/875-2448
Email: wscalf@frankfort-ky.gov

- 6.2** To approve Change Order # 1 with James W. Fowler, Co. for the Holmes Street Microtunneling Project (Sewer Department and Public Works Department).

Purpose: The purpose of this item is to consider approval of Change Order # 1 with James W. Fowler, Co. for the Holmes Street Microtunneling Project.

Background: In June 2007 the City awarded a contract to James W. Fowler Company, in the amount of \$2,541,560.00 for Microtunneling a portion of the storm sewer in the Holmes Street corridor. The project will be partially funded by grants provided by the Kentucky General Assembly in the amount of \$2,405,811. The balance of the funds will come the Holmes Street Drainage Account.

This is part of a multi-pronged solution to address stormwater issues along the Holmes Street Corridor. This will connect the recently completed East Main Outlet Structure with the combined sewers in Holmes Street. The remaining phases will be various Holmes Street storm sewer separation projects.

The total contract amount is summarized below:

Original Contract	\$2,541,560
Change Order # 1	<u>899,000</u>

Revised Contract \$3,440,560

Financial Analysis: Funds are available in account 300.68.53295 and 635.00.51100.

Recommendation: Approval

Attachments:

- Change Order # 1
- Memo to City Manager

Contact Persons

Name:	Jeff Hackbart, PE	William R. Scalf, Jr., PE
Title:	Director	Director
Department:	Public Works	Sewer
Phone:	502-875-8500	502-875-2448
E-mail:	jhackbart@frankfort-ky.gov	wscalf@frankfort-ky.gov

- 6.3** To authorize the lease-purchase of a new 2007 Street Sweeper (Public Works Department).

Purpose: To authorize lease - purchase of a new 2007 Street Sweeper for the Floodwall/Stormwater Division.

Background: The Floodwall/Stormwater Division advertised the Street Sweeper and mailed out 3 bid packages. Two bids were received from H.H. Hooper Machinery Co. and CMI Equipment Sales. The bid from H.H. Hooper Machinery Co. met all requirements of the advertised specifications. The bid from CMI did not meet all the required specifications. The base price of the vehicle is \$98,825 with the vendor providing 3 lease-to-own options. Upon careful consideration of the options provided, the Department recommends a 5-year straight lease with annual payments of \$21,876.96. The City will own the vehicle outright at the end of the 5-year period.

Financial Analysis: Funds are available in Account No. 100-66-56550.

Recommendation: Approval

Attachments:

- Bid Tabulation
- Memorandum from the Street Superintendent dated 8/29/07

Contact Person

Name:	Jeff Hackbart
Title:	Director
Department:	Public Works
Phone:	502/875-8500
E-mail:	jhackbart@frankfort-ky.gov

- 6.4** To authorize purchase of a new 2007 F450 Ford Dump Truck with snowplow for the Street Division (Public Works Department).

Purpose: To authorize purchase of a new 2007 F450 Ford Dump Truck with snowplow for the Street Division.

Background: The Street Division budgeted a dump truck and a snowplow in the 2007-2008 Budget. The 2007 Ford F250 will be purchased through Kentucky State Price Master Contract # C-0600000524 in the amount of \$50,856. The vendor for this vehicle is Collins Man-O-War Ford.

Financial Analysis: Funds are available in Account No. 100-62-56550 for this purchase.

Recommendation: Approval

Attachments: None

Contact Person

Name: Jeff Hackbart
Title: Director
Department: Public Works
Phone: 502/875-8500
E-mail: jhackbart@frankfort-ky.gov

- 6.5** To authorize purchase of a new 2007 F250 Ford Crew cab pickup truck for the Street Division (Public Works Department).

Purpose: To authorize purchase of a new 2007 F250 Ford Crew cab pickup truck for the Street Division.

Background: The Street Division budgeted a pickup truck in the 2007-2008 budget. The 2007 Ford F250 will be purchased through Kentucky State Price Master Contract # C-0600000524 in the amount of \$22,553. The vendor for this vehicle is Collins Man-O-War Ford.

Financial Analysis: Funds are available in Account No. 100-62-56550 for this purchase.

Recommendation: Approval

Attachment: None

Contact Person

Name: Jeff Hackbart
Title: Director
Department: Public Works
Phone: 502/875-8500
E-mail: jhackbart@frankfort-ky.gov

- 6.6** Authorization of a bid award to Schnell Contractors, Inc. to repair the Sullivan Parking Garage (Public Works Department).

Purpose: The purpose of this item is to award a bid to Schnell Contractors, Inc. to perform recommended repairs to the Sullivan Parking Garage.

Background: The City of Frankfort opened bids for the first phase of repairs to the Sullivan Parking Garage on 8/30/07. The City received 5 bids from qualified contractors. The Project Architect, David Banks recommends awarding the base bid contract to Schnell Contractors, Inc. in the amount \$139,485 plus a 10% contingency. The Base Bid includes the structural repair items that the architect gave highest priority in the Facilities Condition Report. Many of the remaining items relate to protecting the steel exit stairways from further water intrusion and deterioration plus some code improvement. The architect recommends budgeting these remaining repair items in next year's budget.

David Banks, Architects and Associates recommend that the City award the contract to the lowest responsible bidder, Schnell Contractors, Inc. in the amount of \$153,433.50.

Financial Analysis: Funding is available in Account No. 530.00.51100

Recommendation: Approval

Attachments:

- Bid Tab
- David Banks Recommendation

Contact Person

Name: Jeff Hackbart, PE
Title: Director
Department: Public Works
Phone: 502/875-8500
E-mail: jhackbart@frankfort-ky.gov

6.7 To authorize Change Order #3 with Affholder, Inc. for the East Main Outlet Tunnel Project (Public Works).

Purpose: To consider Change Order #3 with Affholder, Inc. for the East Main Outlet Tunnel Project.

Background: The East Main Outlet Tunnel & Trunk Storm System Project is nearly complete. The final adjusted quantities, deductions, and additions to the contract have been submitted and approved by the Project Engineer, HMB, Inc. The original contract price approved by the City Commission on 12/9/2006 was \$3,866,025. The current contract price is \$3,557,352.49. Change Order #3 includes the following deductions and additions to Affholder's contract price:

1.	Deductions in actual quantities of work	-\$ 30,083.00
2.	Deductions to reimburse the City and HMB due to contractor delay	-\$ 96,859.98
3.	Deduction for the railroad spur installation	-\$ 20,000.00*
4.	Deduction relating to blasting issues	<u>-\$ 25,729.53</u>
	Total deductions	-\$172,672.51

* The railroad spur replacement was deducted from Affholder's contract. This work will be contracted out to RJ Corman, Inc.

1.	Addition of three tunnel channel supports	\$1,650.00
2.	Addition of a 12" Flap Valve	<u>\$3,950.00</u>
	Total Additions	\$5,600.00

Financial Analysis: Change Order #3 is net deduction of \$167,072.51 to Affholder, Inc. Funds are available in the Holmes Drainage Account (635.00.51100) for final payment. A project summary follows:

<u>Description</u>	<u>Cost</u>	<u>Substantial Completion Date</u>
Original Contract	\$ 3,866,025.00	12/9/06
Total Adjustment Change Order #1	-\$ 136,000.00	working days
Total Adjustment Change Order #2	-\$ 5,600.00	0 working days
Total Adjustment Change Order #3	-\$ 167,072.51	
Current Contract	\$ 3,557,352.49	8/31/07

Recommendation: Approval

Attachment:

- Change Order #3

Contact Person

Name: Jeff Hackbart
Title: Director
Department: Public Works
Phone: 502/875-8500
Email: jhackbrt@frankfort-ky.gov

6.8 Authorization to pay RJ Corman Invoice for reconstruction of the Clinton Street spur line (Public Works).

Purpose: The purpose of this item is to consider an award to RJ Corman RR to re-construct the railroad spur along Clinton Street.

Background: The construction of the Holmes Drainage Project required its contractor, Affholder, Inc., to remove a portion of the railroad spur line. The City of Frankfort originally received an estimate to replace the spur line from RJ Corman for \$90,000. The price was re-negotiated with RJ Corman and the construction cost was lowered from \$90,000 to \$30,000. The spur line is required by RJ Corman to serve as a loading/unloading point for local businesses. RJ Corman accommodated the construction of the East Main Tunnel by permitting the removal of a portion of the spur line along Clinton Street. It is recommended that this work be deducted from Affholder's contract and awarded to RJ Corman. Since the project is nearing completion, RJ Corman requests that the City reimburse the Railroad for the material and labor costs associated with re-constructing the spur line.

HMB Engineers recommends that the City contract the railroad spur line construction to RJ Corman in the amount of \$30,000.

Financial Analysis: Funding is available in the Holmes Street Drainage Account.

Recommendation: Approval

Attachments:

- RJ Corman Invoice

Contact Person

Name: Jeff Hackbart, PE
Title: Director
Department: Public Works
Phone: 502/875-8500
Email: jhackbart@frankfort-ky.gov

6.9 To authorize the City of Frankfort to use funds in Account No. 550 Frankfort Rental Rehab - 1989 (\$15,132.09); Account No. 540 Frankfort Housing Corporation (\$45,518.33); and Account No. 625 Revolving Loan Fund (\$12,847.26) as needed for the HOME Focus Community Program.

Purpose: The purpose of this item is authorize the City of Frankfort to utilize funds in Account #550 Frankfort Rental Rehab - 1989; Account #540 Frankfort Housing Corporation and Account #625 Revolving Loan Fund as needed for the HOME Focus Community Program.

Background: The Kentucky Housing Corporation HOME Program allows only \$60,000.00 per home for rehab. If a particular home rehab costs more than the allotted \$60,000.00 the City of Frankfort would utilize the above accounts to complete the rehab.

Financial Analysis: Funds in these accounts can only be used to aid Low to Moderate Income individuals and this project will meet these requirements.

Recommendation: Approval

Attachments: None

Contact Person

Name: Rebecca Hall
Title: Grants Manager

Department: City Manager
Phone: 502/875-8500
Email: rhall@Frankfort-ky.gov

6.10	<u>Personnel Action</u>	<u>Employee</u>	<u>Department</u>	<u>Date</u>	<u>Other</u>
	Appointment	Matthew S. Burriss	Sanitation	9-25-07	Tech I
		Terry L. Wooldridge	Sewer	10-16-07	Pump Tech I
		Jessie J. Wilder	Sewer	10-9-07	Wet Weather Coordinator
		Ricky L. Kelley	Sewer	9-25-07	Tech III
		Bradley S. King	Sewer	10-9-07	Tech I
		Tim D. Auberry	Sewer	9-25-07	Tech I
	Retirement	Jeff S. Hulker	Police	9-30-07	Detective, request authorization to pay all accrued time as of effective date

Attachment:

- Jeff Hulker retirement letter

Contact Person

Name: John Morrow
Title: Director
Department: Human Resources
Phone: 502/875-8500
Email: jmorrow@frankfort-ky.gov

7. BOARD APPOINTMENTS

7.1 Electric & Water Plant Board

- Reappointment of Bennie R. Maffett, to a four-year term ending 9-23-11
- Reappointment of Ann Wingrove, to a four-year term ending 9-23-11

7.2 Board of Zoning Adjustments

- Appointment of Joseph R. Johnson, to complete the term of Paul Looney, ending 7-1-10

Attachments

- Letters of Recommendation from Mayor May
- Resume of Bennie R. Maffett
- Resume of Ann Wingrove
- Resume of Joseph R. Johnson

8. OLD BUSINESS

9. NEW BUSINESS

9.1 To consider authorizing the purchase of property located at the corner of Shelby and West Second Streets, known as the Noonan Grocery Store property (City Manager).

Purpose: To consider an offer to purchase from William S. Noonan property at the corner of West Second Street and Shelby Street, known as the Noonan Grocery Store property.

Background: The City is in need of additional parking spaces for the Public Safety Building, currently under construction. William S. Noonan has offered to remove the structure and sale his lot at the corner of Second Street and Shelby Street for \$87,235. If the City chooses to purchase the property, it would be combined with the adjoining Housing Authority property to construct a thirty-nine (39) space parking lot (25 Police Department, 14 Housing Authority). As part of the parking lot construction, a six-foot brick barrier wall will be constructed along the back of the lot along the property, as requested by adjacent residents.

Financial Analysis: The purchase amount is \$87,235. Funds are available through the Public Safety Building bond proceeds (Account No. 670.00.51100).

Recommendation: Approval

Attachments:

- Offer letter from William S. Noonan
- Photo of Property with sketch of proposed parking spaces

Contact Persons

Name:	Tony Massey	Robert C. Moore
Title:	City Manager	City Solicitor
Department:	City Manager	
Phone:	502/875-8500	502/227-2271
Email:	amassey@frankfort-ky.gov	rmoore@hazelcox.com

- 9.2** **9.2** To approve a proposed lease between the City of Frankfort and Capitol View Development, LLC, pertaining to the Blanton Landing property donated to the City of Frankfort by William O. Crumbaugh and Francis H. Crumbaugh (City Manager).

Purpose: To approve a lease between the City of Frankfort and Capitol View Development, LLC, pertaining to the Blanton Landing property donated to the City of Frankfort by William O. Crumbaugh and Francis H. Crumbaugh, his wife. Capitol View Development proposes to use the subject property for parking for the building at 112 East Main Street, Frankfort, Kentucky. The subject property will be leased to Capitol View Development for the amount of \$5,000 per year for the first 5-year term. The lease contains an option to renew for two additional five-year terms.

Background: Capitol View Development contacted the City of Frankfort to discuss the leasing of the property in order to provide parking space for the building located at 112 East Main Street, Frankfort, Kentucky. This will enable Capitol View Development to market its building to the state and other tenants. The lease will commence on January 1, 2008, if approved. The subject property is currently unused.

Financial Analysis: Terms to be \$5,000 per year for the first five years of the lease, with two 5- year options at \$6,000 per year and \$7,000 per year respectively.

Recommendation: Approval

Attachment:

- Lease Agreement

Contact Persons

Name:	Tony Massey	Robert C. Moore
Title:	City Manager	City Solicitor
Department:	City Manager	
Phone:	502/875-8500	502/227-2271
Email:	amassey@frankfort-ky.gov	rmoore@hazelcox.com

- 10. CITIZEN COMMENTS**
- 11. COMMISSIONER COMMENTS**
- 12. ADJOURNMENT**